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#### State Dept. review completed

#### Tito Repeats Call for Party Purge

The Sunday edition of Zagreb <u>Vjesnik</u> contains a lengthy interview with President Tito in which he repeated his call to reduce the party by "several hundred thousand members". Tito again skewered party careerists, technocrats and liberals with charges that they are preventing the revolution from maturing. He added his displeasure with past visits of party officers to the United States where they have only been "shown what others want them to see". Tito said that the decision to postpone the 10th party congress from late 1973 to early 1974 was taken because "everything was not ready for it" and he said that the purge was a prerequisite for restoring order before the congress. Tito made it clear that the purge would reach into the upper layers of the party where some individuals "who originated from unhealthy intellectual environments from the nonsocialist intelligentsia" were opposing party unity. (Serb party boss Nikezic may well be one of these "unhealthy" intellectuals.)

With all the fire and brimstone it is difficult to focus precisely on any first priority goal in Tito's drive against diversionists. He cast a little light on the topic by saying that he started the purge because regional party organizations were acting as if the LCY center was an interloper in their affairs. Tito wants more obediance and less back talk from the regional organizations.

Seen in this light, as a struggle between regional and central authority, the purge campaign makes some sense. At the same time, however, Tito's demands that several hundred thousand party officials be stripped of their functions in the economy and government poses a prospect of wide spread chaos in these fields. Tito may hope that he can frighten these individuals into aquicscence while he dismembers those centers of opposition to central authority that most exercise him.

The US Embassy in Belgrade thinks that doubt that a purge is in the works and that		X
yet to be decided. Indeed it does seem very		
anger can be appeased without some victims.	h l	

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## Soviet-Yugoslav Credit Negotiations Meeting First Snags

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the latest round in negotiations \$1.3 billion credit deal offered to Belgrade by Moscov			
with less progress than expected. Problems in reaching			
on the price for Yugoslav raw materials to be sent to			
as repayment for the credit and in working out technic			
for new projects in Yugoslavia are apparently the prin		25X1	
stacles.	the next		
round of talks, scheduled for October in Belgrade, may	•		
be delayed. Belgrade, however, has broadcast an announced	uncement		
that the talks will indeed open this month, a maneuver calculated			
to impress on Moscow the fact that any postponement will neces-			
sitate a public exposure of the current difficulties.			
hagaves of act	ri aul tural		
problems in the USSR and resulting expenditures of har			
for foreign grain, Moscow is under greater than normal			
to divert its raw material exports to the hard currency trading			
countries rather than to Yugoslavia. Part of the cree	dit arrange-		
ment involves exports of Soviet raw materials to Yugo:	slavia who	25X1	
will then resell them in the West to finance local pro			
If, indeed, the Soviets are having second thoughts on	this arrang	e-	
ment, they can expect some sharp words from Belgrade.	<u> </u>		
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### Yugoslav Journal Ridicules Czechoslovak Pamphlet

A Yugoslav army weekly, Narodna Armija, has taken to task a Czechoslovak pamphlet on the Warsaw Pact. The pamphlet parrots the standard Prague line that there is need to strengthen further the unity of the socialist states and that the neutrality of even the smallest socialist state would mean a weakening of this unity. The author of the pamphlet, Dr. Vaclav Melichar, grudgingly admits that Yugoslavia "continues to build socialism" but attributes this to the strength of the socialist community that prevents world imperialism from "swallowing it up".

The commentator berates Melichar for his "pseudo-scientific doctor-like erudition", and for failing to recognize that the building of socialism is a result of the resolute struggle of social forces within a country. He also warns that the fate of all those who have felt they could "swallow" Yugoslavia is well-known. In closing he accuses the author of a "truly brilliant misunderstanding (or is it merely misunderstanding?) of the self-managing socialist character of Yugo-slavia."

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NOTE: THE VIEWS EXPRESSED ABOVE REPRESENT ONLY THE ANALYSIS OF THE EE BRANCH.